



COUNCIL AGENDA: 06-28-05

ITEM: 2.32

## Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Sara L. Hensley

**SUBJECT:** SEE BELOW

**DATE:** 06-15-05

Approved

Date

June 15, 2005

Council District: 9  
SNI Area: N/A

**SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A TURNKEY PARK AGREEMENT WITH ROEM DEVELOPMENT CORPORATION TO PROCEED WITH THE CONSTRUCTION OF THE RUSSO DRIVE PARK SITE**

### RECOMMENDATION

Adopt a resolution authorizing the City Manager to negotiate and execute a Turnkey Parkland Agreement with ROEM Development Corporation (ROEM), for Tentative Map Nos. PT02-078 and PT02-079 for construction of a neighborhood park.

### BACKGROUND

ROEM received zoning approval (PDC02-032) January 10, 2003 for the development of 24 single-family detached courthomes and 126 multi-family senior apartments on a 4.18 gross acre site, located at the southeast corner of Russo Drive and Cherryview Lane. ROEM entered into an interim parkland agreement with the City on July 7, 2003 to satisfy its parkland obligation under the City's Parkland Dedication Ordinance, also known as the PDO (Chapter 19.38 of Title 19, SJMC) prior to receiving approval for the final subdivision map and obtaining building permits for the projects. Under the terms of this agreement, ROEM is to enter into a final turnkey parkland agreement within one year of the date of final map recordation associated with the construction of park improvements on an approximately 0.3-acre adjacent vacated right-of-way at the terminus of Russo Drive. As a condition of the interim agreement, the City collected a Certificate of Deposit (CD) from ROEM for \$349,050 to cover the cost of the future park improvements. The CD will be returned to ROEM once a final Turnkey Parkland Agreement is executed between the developer and the City.

City staff has prepared a Turnkey Parkland Agreement and the developer has submitted a final cost estimate for the park improvements that will act as a baseline budget for the construction of the park. City staff is currently working to resolve a minor discrepancy in the title report associated with the vacation and reuse of Russo Drive. Once this minor issue has been resolved, the developer can immediately begin construction of the park site. There are no ownership/title report issues related to the future park site. Resolution is expected within the next 30 days. Authorization for the City Manager to negotiate and execute the final agreement would facilitate the initiation of construction during the City Council at the earliest possible date.

### **ANALYSIS**

The tentative maps for the project contain a condition stating that the proposed housing developments are subject to the requirements of the PDO for the dedication of land for park purposes and/or payment of in-lieu fees under the terms contained in Chapter 19.38 of the Municipal Code. The proposed park improvements for the Russo Drive site will fulfill the developer's obligation under the PDO for both tentative maps. In the case of the senior apartment project, the developer qualified for the City's Low Income Housing Voucher Program, whereby the San Jose Redevelopment Agency (SJRA) is obligated to pay in-lieu fees for those senior apartment units qualifying as low-income units. The CD for \$349,050 currently held by the City includes the in-lieu fees for 24 single-family courthomes and one manager's unit constructed as part of the senior apartment project. SJRA has paid in-lieu fees associated with the remaining 125 senior apartments and these fees have been deposited into the City's Park Trust Fund and are available to be allocated when a suitable project has been identified.

The Turnkey Parkland Agreement allows for park improvements to include two horseshoe pits, benches, concrete walkways, lighting, fencing, drinking fountain, trash receptacle, security bollards and camera, turf and irrigation, and other associated landscaping on the future park site as well as soft costs associated with the design, construction management, and inspection of the site. The agreement requires all improvements to be designed and constructed in accordance with standard City specifications, and will be inspected by City inspectors. Staff anticipates that it will take approximately three months to construct the improvements with an additional 60-day maintenance period prior to opening the park.

### **OUTCOME**

Approval of the Turnkey Parkland Agreement will allow construction of the Russo Drive park to move forward in a timely manner, after the ownership issues discussed above have been resolved and final bids have been accepted by the developer's contractors.

HONORABLE MAYOR AND CITY COUNCIL

06-15-05

**Subject: AUTHORIZE CITY MANAGER TO NEGOTIATE AND EXECUTE A TURNKEY PARK AGREEMENT WITH ROEM DEVELOPMENT CORPORATION TO PROCEED WITH CONSTRUCTION OF THE RUSSO DRIVE PARK SITE**

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## **PUBLIC OUTREACH**

Two community meetings were held with residents of the adjacent neighborhood on August 25, 2003 and November 12, 2003, to present design concepts and discuss the development of the park. At these two meetings, community members requested that horseshoe pits be included as part of the park development. Community members also specifically requested that the City not construct a play lot as part of the new park, and that more passive park elements be provided to serve future residents of the senior housing development adjacent to the park site.

A final community meeting is scheduled for late June 2005 to present the final park design.

## **COORDINATION**

Preparation of the parkland agreement has been coordinated with the City Attorney's Office, the Public Works Department, the City Manager's Budget Office, and the General Services Department.

## **BUDGET REFERENCE**

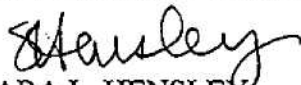
Not applicable.

## **COST IMPLICATIONS**

The proposed park will be designed and constructed in lieu of park fees associated with the developer's obligation under the Parkland Dedication Ordinance for the residential project constructed for 126 multi-family and 24 single-family detached units adjacent to the park site. The City will be responsible for the ongoing maintenance associated with the new park site. The maintenance obligation for this park is estimated to be \$7,000 per year and was included in the 2005-2006 Proposed Operating Budget.

## **CEQA**

Mitigated Negative Declaration, File No. PDCSH02-032, adopted October 9, 2002.

  
SARA L. HENSLEY  
Director of Parks, Recreation  
and Neighborhood Services